



WATCHES OF SWITZERLAND GROUP PLC

MODERN SLAVERY STATEMENT 2024

“Treating people with respect is a fundamental value of the Watches of Switzerland Group.

We take allegations of modern slavery in all its forms extremely seriously and will not tolerate human rights abuses against anyone working for our Group, or individuals or groups in any way associated with our business.

We continue to strengthen our governance and implement measures to help identify, assess, mitigate and, wherever necessary, remedy potential labour and human rights abuses, including the illegal exploitation of other people for personal or commercial gain.

Within our 2024 Modern Slavery Transparency Statement, we explain the progress we have made since our first Statement in 2016, and continue to make, as we work collaboratively with partners to support the aims of the UK Modern Slavery Act and focus our efforts on areas where we can have the greatest impact.”

BRIAN DUFFY, CHIEF EXECUTIVE OFFICER

This Statement is made pursuant to Section 54 of the Modern Slavery Act 2015 (the 'Act') and sets out the steps taken during the financial year 2023/24, to prevent slavery and human trafficking occurring in our supply chains or in any part of our business.

The Watches of Switzerland Group PLC's (the 'Company' or 'Group') definition of slavery and human trafficking is aligned to section 54 (12) of the Act. The Group and its subsidiaries and affiliates fully support the aims of the Act and is committed to taking meaningful action to safeguard against the risk of slavery, servitude, forced labour and human trafficking in any part of its business operations or supply chain. This Statement is also made on behalf of the subsidiaries and affiliates of the Group and the detailed actions and operations are effective across it.

The Group recognises that there are different laws across the world and market practice varies across the territories in which we operate, therefore, what is normal and accepted in one place may not be acceptable/permitted in another. While businesses must comply with local law and regulations, the United Kingdom (UK) Modern Slavery Act also applies to actions outside the UK. Therefore, the Group recognises it is liable under UK law for the actions of colleagues and service providers, wherever they are located.

ORGANISATION STRUCTURE

The Watches of Switzerland Group is the UK's largest luxury watch retailer, operating in the UK, US and Europe comprising six prestigious brands; Watches of Switzerland (UK and US), Mappin & Webb (UK), Goldsmiths (UK), Mayors (US), Betteridge (US), and Analog:Shift (US) with a complementary jewellery offering.

From 8 May 2024, the Group also owns the exclusive distribution rights for Roberto Coin in the USA, Canada, Central America and the Caribbean. As at 3 September 2024, the Watches of Switzerland Group had 221 showrooms across the UK, US and Europe including 96 dedicated mono-brand boutiques in partnership with Rolex, OMEGA, TAG Heuer, Breitling, TUDOR, Audemars Piguet, Grand Seiko, BVLGARI and FOPE and has a leading presence in Heathrow Airport with representation in Terminals 2, 3, 4 and 5 as well as seven retail websites.

Watches of Switzerland Group PLC and Watches of Switzerland Operations Limited, are holding companies of Watches of Switzerland Company Limited, with Watches of Switzerland Group PLC being the ultimate parent company.

All UK companies within the Group comply with the requirements of the Modern Slavery Act 2015, through the operations of Watches of Switzerland Company Limited. An additional corporate entity operates in Ireland, WOSG (Ireland) Limited.

The Group also operates a number of corporate entities in the United States (US), namely, Mayors Jewelers LLC, Mayors Jewelers of Florida LLC, Watches of Switzerland LLC, Watches of Switzerland (Nevada) LLC and Watches of Switzerland (A/S) LLC. These companies are subsidiaries of Watches of Switzerland Group USA Inc, which is a direct subsidiary of Watches of Switzerland Company Limited.

Brands and Businesses Covered by this Statement

This Modern Slavery Statement relates to all brands operated by Watches of Switzerland Company Limited in the UK, Ireland and the US:

- Watches of Switzerland
- Mappin & Webb
- Goldsmiths
- Mayors Jewelers
- Analogue:Shift
- Betteridge
- Roberto Coin
- Monobrand stores (each dedicated to a particular luxury watch or jewellery brand)

SUPPLY CHAIN

The Group predominantly operates in countries where higher social standards apply and takes care to exercise due diligence in all its' interactions. However, we acknowledge the highest risk of modern slavery and human rights violations occurs in our international supply chain.

Salient human rights risks in our supply chain include:

1. Forced and bonded labour
2. Excessive working hours
3. Child labour
4. Migrant labour
5. Gender and discrimination
6. Health and safety
7. Wages and benefits

We partner with approximately 600 Tier 1 stock and non-stock suppliers* worldwide, including 110 watch and jewellery suppliers.



SUPPLIERS OF WATCHES

- 1 Switzerland
- 2 Germany
- 3 China (inc. Hong Kong)
- 4 Japan
- 5 United Kingdom

SUPPLIERS OF JEWELLERY

- 1 United Kingdom
- 2 Thailand
- 3 China (inc. Hong Kong)
- 4 India
- 5 Italy
- 6 United States
- 7 France

The Group also recognises the risk of Modern Slavery within service providers we contract with. These suppliers support our organisation within areas including the cleaning of our showrooms and support centres, as well as construction, waste management, events and hospitality.

The actions we are taking to mitigate against these risks can be found throughout this Statement.

*Supplier Partners with a spend over £50K

BUSINESS OPERATION

The Group directly employs approximately 2,900 colleagues globally, who fulfil roles in retail outlets across the UK, US and Ireland, as well as in head office, support centres, repairs centres, jewellery and silver workshops, logistics, warehousing, distribution and ecommerce. During our reporting year, we also employed colleagues within retail outlets in Denmark and Sweden.

Caring for our colleagues is central to our business strategy and enshrined in our Purpose, however, we recognise there is a possibility of human capital risks linked to poor recruitment and management practices, lower skilled roles, low pay, peaks in workforce demand, excessive working hours, poor working conditions, inadequate training and a pressurised working environment. Actions to mitigate against these risks can be found from page 6 of this Statement.

POLICIES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING

The Watches of Switzerland Group PLC Board (the 'Board'), chaired by Ian Carter, has overall responsibility for our business strategy and risk. The Board is supported by a number of Committees, including our Environmental Social and Governance (ESG) Committee, Risk & Audit Committee and Remuneration Committee.

All independent non-executive directors are members of the ESG Committee, which is chaired by Non-Executive Director, Baroness (Rosa) Monckton, MBE. The Group's Chief Executive Officer, Brian Duffy, is also a member of the ESG Committee and has operational responsibility for safeguarding against the risk of Modern Slavery within the Group's business operations and supply chain.

The ESG Committee plays an active role in ensuring relevant ESG strategies, policies and processes are in place. The Audit and Risk Committee works in collaboration with the ESG Committee to ensure salient risks are regularly assessed and monitored.

The following policies relevant to Modern Slavery and Human Rights are in place and regularly reviewed and approved by the Board:

- Anti-Bribery, Corruption and Fraud Policy which include the Gifts and Hospitality Protocols
- Anti-Money Laundering
- Code of Ethics
- Corporate Criminal Offence Policy
- ESG Partner Standards
- Human Rights Policy
- Modern Slavery Statement
- Vendor Code of Conduct
- Whistleblowing Policy

To further mitigate against human rights abuses in our supply chain, we continue to strengthen our governance mechanisms. An ESG Steering Group, which aims to meet monthly, reports directly to the ESG Committee. This Steering Group is chaired by our Chief Financial Officer, Anders Romberg, and comprises senior leaders, who each have formal operational responsibility for the management of sustainability risks and opportunities across the Group.

Vendor Code of Conduct

Our Group Vendor Code of Conduct (the 'Code') sets out our minimum requirements across human rights, labour, environment, anti-corruption, integrity, business ethics, data security and social impact, which must be applied in addition to compliance with all relevant national and international laws and legislation.

Our Code is aligned with our Company Purpose and the Ethical Trading Initiative (ETI) Base Code, which is founded on the conventions of the International Labour Organisation (ILO).

The Code sets out 12 principles in relation to upholding human rights:

1. Employment is freely chosen
2. Freedom of association and the right to collective bargaining are respected
3. Working conditions are safe and hygienic
4. Child labour shall not be used
5. Living wages are paid
6. Working hours are not excessive
7. No discrimination is practised
8. Regular employment is provided
9. No harsh or inhumane treatment is allowed
10. Responsible environmental practices
11. Zero tolerance of conflict products
12. Zero tolerance of bribery and facilitation payments

Suppliers are asked to confirm in writing their acceptance of the terms of our Vendor Code of Conduct (the 'Code') or, have their own publicly available equivalent that aligns with our Code, as a minimum.

Anyone with genuine suspicions about the contravention of our Code is expected to report their concerns through our confidential global Whistleblowing platform, called Safecall, which has an independent reporting facility and is available in key languages for our organisation demographics.

Human Rights Policy

Our Human Rights Policy is approved by the Board and reinforces our commitment to protecting the enjoyment of human rights for all. This Policy was developed in accordance with the International Bill of Human Rights (comprising the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights and the International Covenant on Civil and Political Rights).

In implementing this Human Rights Policy, the Group commits to:

- The ongoing assessment of our impact on human rights in our operations and supply chain

- Taking prioritised action to mitigate human rights risks in our operations and supply chain
- Ensuring grievance mechanisms, including a confidential whistleblowing reporting process, are strengthened to enable everyone we impact to raise concerns
- Remedying any adverse human rights impacts we cause, contribute to, or are linked with

ESG Partner Standards

Our ESG Partner Standards provide supplier partners with comprehensive guidance in relation to the high standards and common practices we expect throughout our global supply chain and in all our dealings.

These standards support our Vendor Code of Conduct by providing details of our expectations in relation to labour exploitation and human rights. Where relevant, supplier partners are expected to:

- Respect human rights according to the Universal Declaration of Human Rights and International Labour Organization Fundamental Rights at Work.
- Adopt and Implement the Organisation for Economic Co-operation and Development (OECD) 5-Step framework, as a management process for risk based due diligence for responsible supply chains of minerals from Conflict-Affected and High-Risk Areas (CAHRA's).
- Ensure all polished diamonds originate from rough diamonds and are fully compliant with the Kimberley Process Certification Scheme (KPCS) and the latest World Diamond Council System of Warranties.
- Ensure all gold is sourced from bars accredited under the London Bullion Market Association Good Delivery Scheme or the UAE Gold Good Delivery Scheme.
- Take a zero-tolerance approach to bribery, corruption, money laundering or the financing of terrorism.

The Vendor Code of Conduct, Human Rights Policy and ESG Partner Standards are subject to an annual review and subsequent approval by the ESG Committee.

CONTINUED PROGRESS

In this reporting year, we continued to take steps to deal with modern slavery and human rights risks in our business and supply chain.

Caring for our Colleagues

To mitigate against human capital risks, we maintain strong colleague engagement through a variety of two-way channels. Our high colleague engagement survey score of 76% in 2023/24 reflects our progress.

In 2023, the Real Living Wage Foundation accredited us as a Real Living Wage employer in the UK. Across our Group, we provide financial initiatives designed to protect and support lower paid workers. We also offer a variety of benefits which are tailored to support the physical, mental and financial wellbeing of all colleagues at every stage of their lives.

Supply Chain Assessments

In January 2023, the Group was selected to participate in a grant-funded project to explore how AI and machine learning technology can be deployed to enhance ESG compliance and reporting.

Working in partnership with sevva.ai, we are developing AI technology to help us understand the level of alignment between supplier partners and our ESG standards. To date, this technology has helped us to refine and categorise our list of suppliers, identify those with relevant sustainability standards and certifications, and undertake an initial assessment of our supplier partners against a set of modern slavery and human rights questions approved by Slave-Free Alliance.

These AI assessments were conducted using publicly available information. In future, we aim to further improve the efficiency and accuracy of our data collection process, by semi-automating supplier questionnaires ahead of sharing them with supplier partners, with the aim of further mitigating against the risk of modern slavery in our supply chain and operation.

Supply Chain Management

Our work with sevva.ai, in addition to our continued use of EcoVadis, the globally recognised supply chain management system.

EcoVadis uses smart automation and analytics to help us map, monitor and manage sustainability risks within our supply chain. Risks are calculated using factors such as the type of goods or service supplied, geographic location, and criticality to our business and reputation.

Depending on the level of risk identified, the Supplier Partner may be required to provide us with evidence of proof of compliance with our standards, and / or be asked to complete an EcoVadis sustainability assessment, which includes key requirements in relation to human rights and modern slavery.

Supplier Partners deemed 'High Risk' in our screening may be subject to an on-site independent audit and Corrective Action Plan.

Procurement

In September 2024, we appointed a Group Head of Procurement to help further strengthen our due diligence procedures and prevent the risk of labour exploitation within our operation and supply chain by ensuring we build relationships with suppliers who share our common values.

A key objective for this new role is to refine and implement our procurement policy and associated procedures. Embedding this policy and procedures across our Group was a performance indicator in our 2023/24 Modern Slavery Statement, and was rolled over into 2024/25 to correspond with the arrival of our dedicated procurement resource.

DUE DILIGENCE PROCESSES

Alignment with Industry Standards and Certifications

We expect the highest standards of responsible business practices from our supplier partners and seek assurance to this effect. Suppliers are strongly encouraged to align with relevant, well-recognised sustainability standards and certifications, for example, the Responsible Jewellery Council (RJC) for watch and jewellery providers.

The RJC is a registered not-for-profit company and the world's largest standards authority for responsible jewellery. At the time of this Statement, 44% of our watch and jewellery suppliers are accredited members of the RJC and, as such, are subject to rigorous independent audits to ensure compliance with the RJC's exacting standards of business practice.

Where suppliers are not aligned with relevant industry standards or certifications, we recommend that they participate in a sustainability assessment with EcoVadis, a leading global supply chain management platform that assesses and scores businesses against key sustainability performance criteria.

The EcoVadis assessment covers 21 criteria aligned to the United Nations Sustainable Development Goals (1 Zero Poverty, 5 Gender Equality, 8 Decent Work and Economic Growth, 10 reduced Equalities and 11 Sustainable Cities and Communities), as well as SASB and GRI reporting standards. The information provided by our supplier partners is then subject to validation, verification, 360 analysis and scoring.

In 2024/25, we will continue to encourage supplier partners to align with relevant industry best practice standards and certifications.

RISK ASSESSMENT AND MANAGEMENT

The Group is committed to going beyond basic risk management and compliance within our operation and supply chain, to protect human rights and mitigate against the risk of modern slavery. This includes both stock and non-stock suppliers.

Colleague Recruitment Process

When recruiting colleagues to join our company, shortlisted candidates are invited to meet with hiring managers face-to-face, or if this is not a practically viable, we invite them to a real time video interview. Successful candidates are required to provide valid identification documents and information to support our right to work and pre-employment screening checks.

Onboarding Supplier Partners

As part of our onboarding process, we carry out desk-based due diligence checks of all suppliers using LexisNexis and the EcoVadis IQ system for suppliers over £50k.

Audits

The Group carries out on-site factory audits of product suppliers to help safeguard the integrity and reputation of our business and supply chain.

With service providers, such as cleaners and building contractors, being identified as having a high risk of modern slavery, any product or services supplier may be asked to undergo an audit, and this is written into the terms of our Vendor Code of Conduct and explained within our ESG Partner Standards.

Audits are carried out by specialist independent auditors with expert knowledge of local laws and practices. They assess facilities against over 200 indicators consistent with our terms and conditions and produce a report with a 'Low' to 'Critical' Risk classification.

On receiving the independent audit reports, we contact supplier partners directly and allow 30 days for any identified risks to be resolved.

Corrective actions are only resolved when the facility can evidence that the action has been satisfactorily remedied, which can be through the sharing of documentation, real-time video evidence, an onsite assessment by a trained colleague or a follow-up independent audit.

Since our last report in October 2023, we have audited six of our jewellery suppliers with the highest turnover and found no evidence of human rights violations.

Partnership with Slave-Free Alliance (SFA)

After entering into a three-year partnership with Slave-Free Alliance (SFA) in August 2022, we continue to benefit from their expert advice and guidance, with the aim of evolving our modern slavery strategy, upskilling colleagues and ultimately reducing the risk of human rights issues within our operation and supply chain.

SFA is an international social enterprise, wholly owned by global anti-slavery charity 'Hope for Justice' (Registered Charity Number 1126097). Hope for Justice runs prevention programmes, rescue services for victims, advocacy and aftercare to restore victims' lives, and works with government and organisations to reform society. SFA and Hope for Justice regularly exchange knowledge and resources and all profits from SFA are invested into the charity to change lives and end slavery.

The Group's understanding and response to modern slavery and labour exploitation risks, was independently reviewed by the SFA in January 2023. Their recommendations for improvement continue to inform the development of our Modern Slavery Strategy.

MODERN SLAVERY AWARENESS AND TRAINING

We recognise that colleagues involved in the delivery of our Modern Slavery Strategy need the necessary skills, knowledge and resources to effectively carry out their roles and responsibilities.

In November 2023, we held two online workshops for colleagues who have a responsibility for sourcing. This training was facilitated by SFA and aimed to equip relevant colleagues across our Group with specific techniques, such as how to use due diligence frameworks and processes, as well as how to apply best practice when handling a suspected case of modern slavery.

We continue to enhance wider colleague awareness about this important issue through our colleague engagement platforms, including what to do if colleagues suspect instances of wrongdoing in line with our Whistleblowing Policy.

In September 2024, we launched a new eLearning module which is available to all colleagues through our Learning Hub and is mandatory for colleagues with a responsibility for sourcing. This learning, provided by SFA, is designed to break down the common preconceptions and misconceptions of modern slavery, while equipping colleagues with the knowledge they need to recognise the signs that might suggest exploitation is taking place and how to deal with concerns.

For supplier partners, contact details are available in our ESG Partner Standards and training materials are available in local languages through the EcoVadis Resource Centre.

PROGRESS AGAINST KEY PERFORMANCE INDICATORS

We recognise the importance of being able to measure and confirm our compliance with the Modern Slavery Act and have set the following Key Performance Indicators, to measure our progress over time and ensure we remain fully compliant with the Act.

KPI Progress from 2023/24

KPI	2023-24 Measure	Progress
Procurement Policy and Procedures developed	Embed Policy and associated procedures across our Group	Carried over to FY25/26
50% of Tier 1 suppliers to report through EcoVadis or hold a relevant, equivalent standard by the end of 2025	25% Tier 1 Suppliers reporting through EcoVadis or hold a relevant, equivalent standard	Complete
Relevant colleagues trained on modern slavery and human rights risks annually	Training records are maintained demonstrating completion rates.	Complete
Supplier partners mapped onto the EcoVadis system	Map classified by geography, industry and spend	Complete
Develop mechanisms to track the percentage of supplier partners that are aligned with relevant industry standards and certifications	Data capture process in place	Complete

Our key priorities for the year ahead

KPI	2024-25 Measure
Procurement Policy and Procedures developed	Launch new Procurement Policy and associated procedures across our Group
Increase visibility of Tier 1 supply chain approach to human rights	Assess Tier 1 suppliers using AI and self-assessment questionnaires
Verification checks to ensure compliance with our Standards, terms and conditions, including higher risk areas such as the shop refit, labour agencies and facilities management areas	Carry out verification checks of suppliers over £50K
To continue training in human rights and modern slavery	Work with the SFA to offer more in-depth training to colleagues working in key areas of the business

COMMITMENT TO IMPROVE

The Group remains committed to continuous improvement in upholding human rights and combatting modern slavery.

We continue to work closely with our partners at Slave-Free Alliance to build our resilience to modern slavery and labour exploitation, with the ultimate aim of ensuring that nobody involved in the production, distribution or sale of our products is a victim of modern slavery or human trafficking.

We are building strong, long-term relationships with our supplier partners and will continue to collaborate to resolve issues, wherever possible. However, if we find evidence of a serious breach of our terms, we will not hesitate to terminate our contract, make a public disclosure and notify the relevant authorities.

I confirm this statement has been approved by the Board.



Chief Executive Officer
Watches of Switzerland Group PLC
9 October 2024